

# STANISLAUS COUNTY ECONOMIC FORECAST

For most of the current economic cycle, Stanislaus County created jobs at a rapid rate. But the expected showdown in job creation has now begun, and in 2017 the county gained only 2,300 jobs. The best performing sectors were construction, leisure services, and healthcare. Job losses were observed in manufacturing, transportation and warehousing, and agriculture.

Construction activity is accelerating. Almost 1,000 homes were built in 2017, and more than \$200 million was invested into non-residential structures. Most of this activity was in Modesto, Newman, Oakdale, and Patterson, where construction began on many new homes and several logistics facilities.

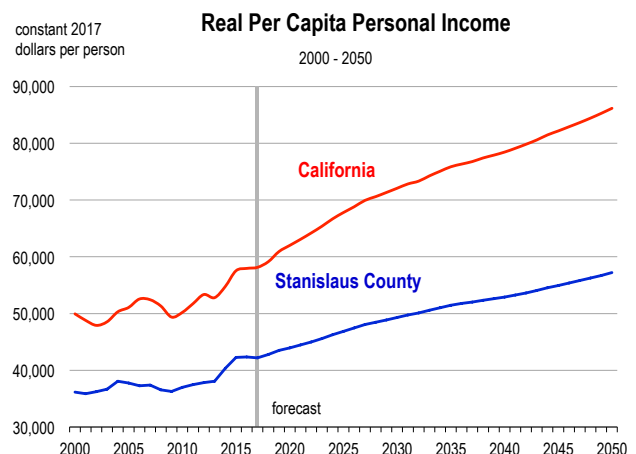
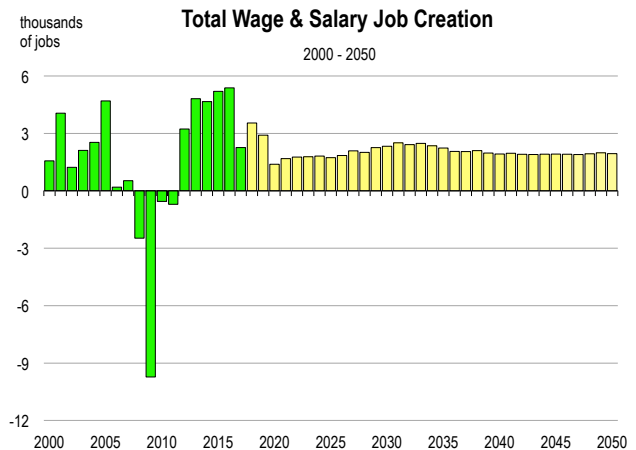
People are moving to Stanislaus County for its affordable homes and growing job prospects. Across Coastal California, households often spend more than 35 percent of their income on mortgage payments and rent. But in Stanislaus County this figure is typically less than 25 percent, although there are a substantial number of households near the poverty line that spend much more.

Affordable housing and increasing job prospects are being observed in most of the Central Valley, making it the fastest growing region of the state. This includes Stanislaus County, where more than 4,000 net migrants entered the county in 2017, leading to overall population growth of 1.5 percent.

The unemployment rate improved substantially last year, falling from 8.6 percent in 2016 to 7.5 percent in 2017. But it is still much higher than most parts of California. This is largely due to the county's prominent share of seasonal workers (primarily in agriculture), who are often unemployed for several months each year. Because of this dynamic, the Stanislaus County unemployment rate is already near its lowest sustainable level, and is not expected to improve substantially during the forecast period.

## FORECAST HIGHLIGHTS

- In 2018, total wage and salary employment will increase by 1.9 percent. From 2018 to 2023, total employment will grow at an annual average rate of 1.0 percent.
- The strongest employment gains will be observed in education and healthcare, leisure services, government, and professional business services. Combined, these industries will account for 75 percent of net job creation between 2018 and 2023.
- Average salaries are currently below the California State average, and will remain so over the foreseeable future. In Stanislaus County, inflation-adjusted salaries are expected to rise by an average of 1.8 percent per year between 2018 and 2023, which will be similar to statewide growth.
- Housing production will accelerate over the forecast period, with an average of 1,400 units built each year through 2023.

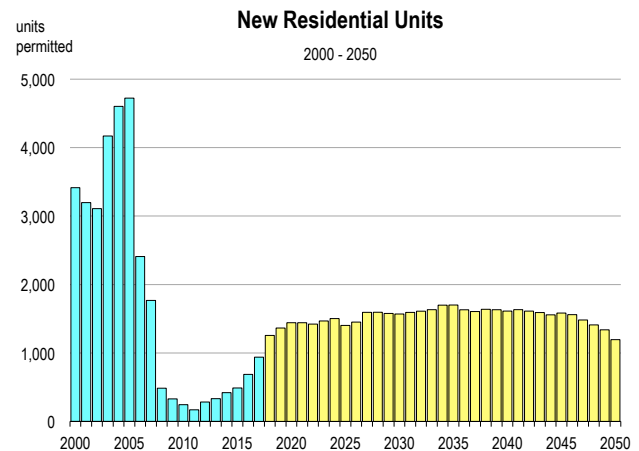
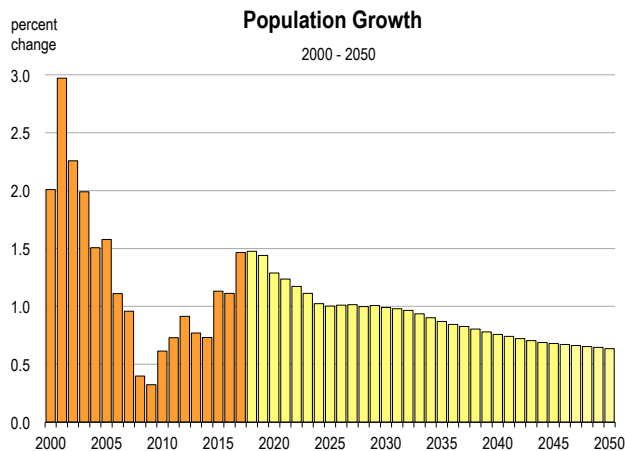


- Because Stanislaus County has large amounts of buildable land, the development process will spread out into single-family communities, rather than be forced up into multifamily skyscrapers.
- A large logistics project has been proposed near Patterson, in between Interstate 5 and State Route 33. The project could deliver 10.5 million square feet of space and employ thousands of workers. Complete buildout is expected to last several decades.
- The population will continue to expand quickly. Annual growth in the 2018-2023 period is expected to average 1.2 percent.
- Net migration will remain strong, with an average of 3,300 net migrants entering the county each year through 2023. And because Stanislaus County has a young population, the natural increase (new births) will add 3,900 residents to the county each year.

# Stanislaus County Economic Forecast

## 2010-2017 History, 2018-2050 Forecast

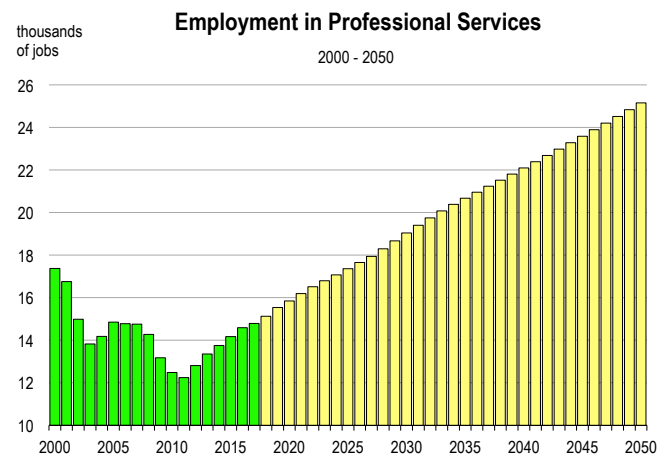
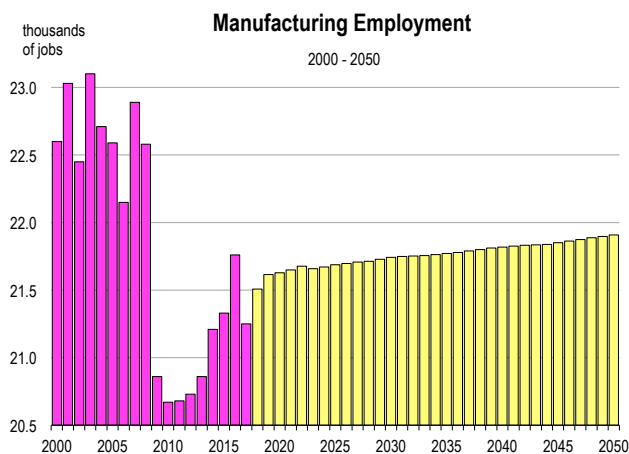
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	515,194	-1,201	443	165.2	244	\$6.1	\$16.4	\$36,987	1.3	2.98	5.66	16.9
2011	518,957	-368	439	165.4	171	\$6.7	\$17.2	\$37,479	2.7	3.46	5.38	16.5
2012	523,698	834	439	166.0	283	\$7.2	\$17.9	\$37,832	2.7	3.62	5.68	14.9
2013	527,732	375	453	167.0	334	\$7.6	\$18.5	\$38,050	2.3	3.99	5.91	13.0
2014	531,588	278	464	167.4	420	\$7.9	\$20.1	\$40,331	2.8	4.70	6.25	11.2
2015	537,608	2,462	478	167.9	490	\$8.2	\$21.6	\$42,283	2.6	4.09	6.43	9.5
2016	543,592	2,376	496	168.6	686	\$8.7	\$22.4	\$42,365	3.1	3.36	6.61	8.6
2017	551,557	4,323	499	170.6	939	\$8.9	\$23.3	\$42,190	3.2	3.20	6.45	7.5
2018	559,698	4,468	507	171.2	1,256	\$9.3	\$24.7	\$42,804	3.7	3.26	6.83	6.8
2019	567,758	4,289	513	172.6	1,365	\$9.6	\$26.0	\$43,493	3.1	3.31	6.84	6.4
2020	575,074	3,465	518	174.0	1,442	\$10.1	\$27.5	\$43,949	4.1	3.37	6.92	6.6
2021	582,182	3,199	523	175.4	1,442	\$10.5	\$29.0	\$44,455	3.6	3.42	7.09	6.8
2022	589,010	2,873	528	176.8	1,422	\$11.0	\$30.5	\$44,997	3.5	3.48	7.24	7.0
2023	595,563	2,558	532	178.3	1,468	\$11.4	\$32.0	\$45,587	3.4	3.54	7.40	7.2
2024	601,660	2,065	536	179.7	1,503	\$11.8	\$33.7	\$46,245	3.3	3.60	7.57	7.4
2025	607,693	1,958	540	181.2	1,403	\$12.3	\$35.3	\$46,882	3.1	3.65	7.72	7.5
2026	613,836	2,036	544	182.6	1,451	\$12.8	\$36.9	\$47,473	3.1	3.71	7.88	7.4
2027	620,066	2,084	548	184.1	1,594	\$13.3	\$38.6	\$48,061	3.0	3.77	8.04	7.5
2028	626,257	2,018	553	185.7	1,595	\$13.8	\$40.2	\$48,461	3.3	3.84	8.20	7.4
2029	632,565	2,126	557	187.3	1,578	\$14.3	\$41.9	\$48,877	3.1	3.90	8.36	7.3
2030	638,830	2,088	562	189.0	1,569	\$14.8	\$43.7	\$49,300	3.0	3.96	8.54	7.3
2031	645,089	2,104	567	190.6	1,593	\$15.4	\$45.4	\$49,755	2.9	4.03	8.71	7.2
2032	651,319	2,106	572	192.2	1,611	\$16.0	\$47.3	\$50,110	3.1	4.10	8.88	7.2
2033	657,415	2,014	577	193.9	1,633	\$16.6	\$49.1	\$50,585	2.7	4.16	9.06	7.1
2034	663,346	1,910	582	195.6	1,699	\$17.3	\$51.0	\$51,033	2.9	4.23	9.24	7.1
2035	669,118	1,814	586	197.3	1,701	\$17.9	\$53.0	\$51,462	3.0	4.30	9.43	7.0
2036	674,769	1,769	591	199.0	1,631	\$18.5	\$55.2	\$51,760	3.4	4.37	9.62	6.9
2037	680,346	1,756	596	200.6	1,605	\$19.2	\$57.4	\$52,019	3.5	4.44	9.82	6.8
2038	685,819	1,716	601	202.2	1,638	\$19.8	\$59.7	\$52,342	3.3	4.52	10.02	6.7
2039	691,168	1,651	606	203.9	1,632	\$20.5	\$62.1	\$52,609	3.5	4.59	10.22	6.6
2040	696,407	1,596	611	205.5	1,612	\$21.1	\$64.6	\$52,899	3.4	4.67	10.43	6.5
2041	701,569	1,546	617	207.1	1,633	\$21.8	\$67.0	\$53,248	3.2	4.74	10.65	6.5
2042	706,633	1,467	622	208.7	1,612	\$22.4	\$69.6	\$53,634	3.1	4.82	10.86	6.4
2043	711,611	1,391	628	210.3	1,591	\$23.0	\$72.2	\$54,044	3.0	4.90	11.08	6.4
2044	716,507	1,310	633	211.9	1,557	\$23.7	\$74.8	\$54,524	2.8	4.98	11.31	6.3
2045	721,380	1,277	638	213.4	1,583	\$24.3	\$77.5	\$54,945	3.0	5.07	11.55	6.3
2046	726,223	1,228	643	215.0	1,560	\$25.0	\$80.3	\$55,383	2.9	5.15	11.79	6.3
2047	731,030	1,179	648	216.6	1,482	\$25.7	\$83.2	\$55,819	2.9	5.24	12.03	6.3
2048	735,806	1,124	653	218.1	1,410	\$26.4	\$86.2	\$56,256	2.9	5.33	12.29	6.2
2049	740,561	1,063	659	219.5	1,338	\$27.1	\$89.3	\$56,717	2.9	5.41	12.54	6.2
2050	745,265	970	664	220.9	1,195	\$27.8	\$92.5	\$57,201	2.9	5.50	12.81	6.2

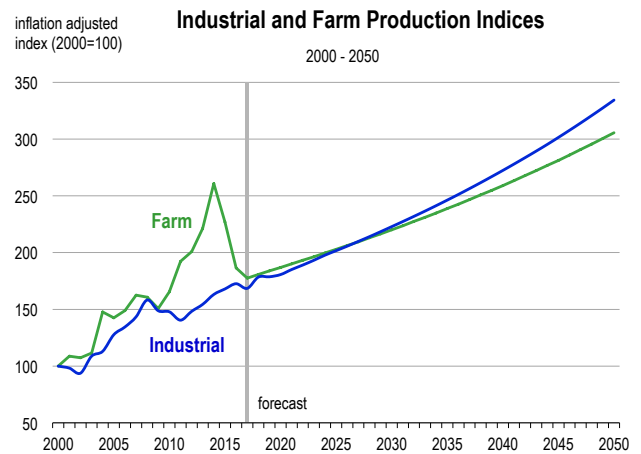
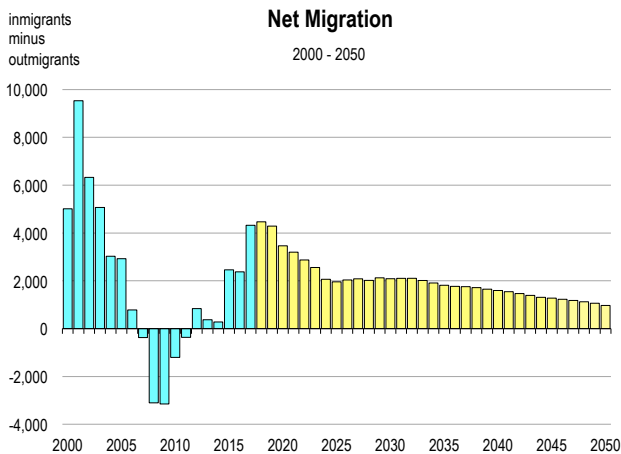
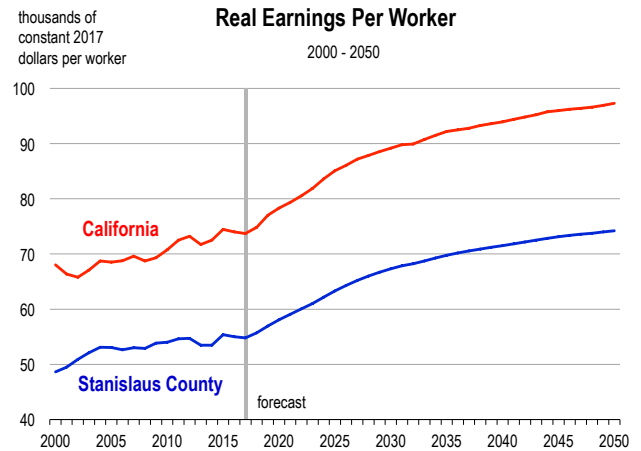
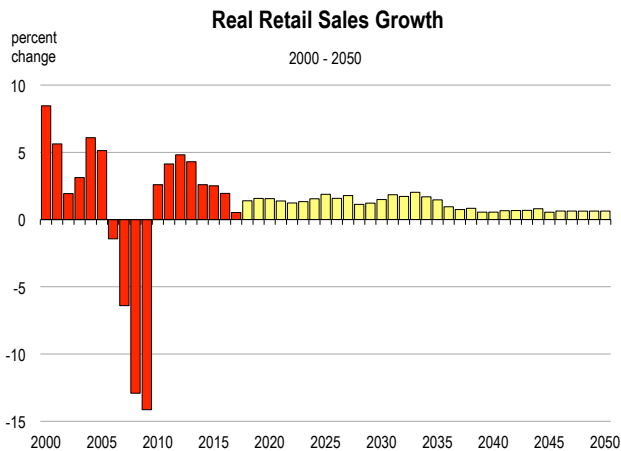


# Stanislaus County Employment Forecast

## 2010-2017 History, 2018-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2010	163.8	12.9	5.9	20.7	6.2	25.4	5.5	12.5	1.2	27.8	14.6	26.2
2011	163.1	12.9	5.8	20.7	6.4	25.8	5.4	12.2	1.1	27.8	14.5	25.7
2012	166.3	13.4	6.3	20.7	6.8	26.7	5.4	12.8	1.0	28.1	14.9	25.4
2013	171.1	14.1	7.0	20.9	7.1	27.4	5.4	13.4	0.9	28.8	15.8	25.5
2014	175.8	14.1	7.5	21.2	7.2	27.7	5.3	13.8	0.9	29.8	16.9	26.1
2015	181.0	14.6	8.5	21.3	7.5	28.3	5.2	14.2	0.9	30.7	17.8	26.7
2016	186.4	14.9	9.0	21.8	8.2	28.9	5.3	14.6	1.0	31.1	18.7	27.6
2017	188.6	14.3	9.3	21.3	7.7	29.6	5.3	14.8	1.0	32.2	19.2	28.2
2018	192.2	14.3	9.7	21.5	7.8	29.9	5.3	15.1	1.0	32.9	19.9	28.9
2019	195.1	14.2	10.0	21.6	7.8	30.2	5.4	15.5	1.0	33.6	20.2	29.4
2020	196.5	14.2	10.0	21.6	7.9	30.5	5.4	15.8	1.1	34.0	20.3	29.7
2021	198.2	14.2	10.0	21.6	7.9	30.7	5.4	16.2	1.1	34.5	20.5	29.9
2022	199.9	14.2	10.0	21.7	8.0	30.9	5.4	16.5	1.1	35.0	20.9	30.1
2023	201.7	14.2	10.0	21.7	8.1	31.1	5.4	16.8	1.1	35.6	21.2	30.3
2024	203.5	14.2	10.1	21.7	8.1	31.3	5.4	17.1	1.1	36.3	21.3	30.5
2025	205.3	14.2	10.0	21.7	8.2	31.6	5.4	17.4	1.1	37.0	21.4	30.8
2026	207.1	14.3	10.0	21.7	8.2	31.9	5.4	17.7	1.2	37.8	21.4	31.1
2027	209.2	14.3	10.2	21.7	8.3	32.1	5.5	17.9	1.2	38.7	21.5	31.4
2028	211.2	14.3	10.2	21.7	8.3	32.3	5.5	18.3	1.2	39.7	21.5	31.5
2029	213.5	14.3	10.3	21.7	8.4	32.5	5.5	18.7	1.2	40.9	21.6	31.7
2030	215.8	14.3	10.3	21.7	8.4	32.8	5.5	19.0	1.2	42.0	21.7	31.9
2031	218.3	14.3	10.4	21.7	8.5	33.1	5.5	19.4	1.3	43.2	21.9	32.1
2032	220.7	14.3	10.5	21.8	8.5	33.4	5.5	19.7	1.3	44.4	22.0	32.3
2033	223.2	14.3	10.5	21.8	8.6	33.8	5.5	20.1	1.3	45.6	22.2	32.6
2034	225.5	14.3	10.6	21.8	8.6	34.1	5.5	20.4	1.3	46.7	22.3	32.8
2035	227.8	14.3	10.7	21.8	8.6	34.4	5.5	20.7	1.3	47.9	22.4	32.9
2036	229.8	14.3	10.7	21.8	8.7	34.6	5.5	21.0	1.3	49.0	22.6	33.2
2037	231.9	14.3	10.7	21.8	8.7	34.8	5.5	21.2	1.3	50.0	22.7	33.4
2038	234.0	14.3	10.8	21.8	8.8	34.9	5.5	21.5	1.4	51.1	22.9	33.6
2039	236.0	14.3	10.9	21.8	8.8	35.1	5.5	21.8	1.4	52.1	23.0	33.8
2040	237.9	14.3	10.9	21.8	8.9	35.2	5.5	22.1	1.4	53.1	23.2	34.0
2041	239.8	14.3	11.0	21.8	8.9	35.4	5.5	22.4	1.4	54.0	23.4	34.2
2042	241.8	14.3	11.0	21.8	9.0	35.5	5.5	22.7	1.4	54.9	23.5	34.4
2043	243.7	14.3	11.0	21.8	9.0	35.7	5.5	23.0	1.4	55.8	23.7	34.6
2044	245.6	14.3	11.1	21.8	9.0	35.9	5.5	23.3	1.5	56.7	23.8	34.8
2045	247.5	14.3	11.1	21.9	9.1	36.0	5.5	23.6	1.5	57.6	24.0	35.0
2046	249.4	14.3	11.1	21.9	9.1	36.2	5.5	23.9	1.5	58.5	24.2	35.2
2047	251.3	14.3	11.1	21.9	9.1	36.3	5.5	24.2	1.5	59.5	24.3	35.4
2048	253.2	14.3	11.1	21.9	9.2	36.5	5.5	24.5	1.5	60.4	24.5	35.6
2049	255.2	14.3	11.1	21.9	9.2	36.6	5.5	24.8	1.5	61.4	24.7	35.8
2050	257.2	14.3	11.0	21.9	9.3	36.8	5.5	25.2	1.6	62.5	24.9	36.1





## County Economic and Demographic Indicators

### Projected Economic Growth (2018-2023)

Expected retail sales growth:	7.3%
Expected job growth:	5.0%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	13.3%

Expected population growth:	6.4%
Net migration to account for:	45.7%
Expected growth in number of vehicles:	5.0%

### Demographics (2018)

Unemployment rate (April 2018):	6.4%
County rank* in California (58 counties):	44th
Working age (16-64) population:	63.2%

Population with B.A. or higher:	16.5%
Median home selling price (2017):	\$278,000
Median household income:	\$58,869

### Quality of Life

Violent crime rate (2016):	611 per 100,000 persons
County rank* in California (58 counties):	52nd
Average commute time to work (2018):	29 minutes

High school drop out rate (2017):	12.2%
Households at/below poverty line (2018):	15.5%

\* The county ranked 1st corresponds to the lowest rate in California